From: Walter Lee Davis
To: Microsoft ATR
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**Subject:** Comments about the proposed settlement with Microsoft

Thank you, first of all, for providing a venue for concerned citizens to add their opinions to this important court case I hope that the volume of response you will surely get does not overwhelm your systems and proves valuable in concluding this case in a manner that restores fairness to the marketplace.

Microsoft has grown to the point that it dwarfs many nations in its size and influence world wide. How it got to be this big is a matter of some contention, but it has been proven, time and again, to have leveraged its overwhelming market share in one area to gain dominance in others. I see no end to this trend. It may be too late to stop this process, as Microsoft could simply purchase a small country and move its operational headquarters there, if it is presented with a compelling business reason to do so.

Any fair penalty in this case will address the financial losses of the companies that Microsoft competed with unfairly, as well as the losses of individual computer users who have had their freedom of choice artificially restricted. A penalty that does not include Microsoft admitting guilt for what they have done to date, and does not preclude them from developing new products or services which could be used to reduce competition and raise the barrier to entry for competitors, does not go far enough to stop this behavior from ever occurring again.

As a monopoly in the desktop computer system software industry, Microsoft has to live by a different set of rules than the companies that make up the other 5% of the desktop market share. Where other companies can seek to create coalitions and partnerships with other companies in order to mutually promote their products' use, Microsoft is larger than the rest of the software industry put together. Any partnership it is likely to make is strictly for the purpose of restricting that partner's actions to those that benefit Microsoft directly or indirectly. Microsoft's relationships with other companies should be monitored directly by the court for any hint of anti-competitive behavior.

As a latecomer to the Internet party, Microsoft used its desktop dominance to artificially inflate the market for its web browser software. The fact that its browser was weaker and buggier than the competition did not matter -- the enormous push of the Microsoft marketing machine (not a crime, but a case where dollars could out-do technical quality or competence), the fact that they gave it away for free (technically "dumping", since it cost something to produce,

after all), and the fact that ISP's and hardware manufacturers were coerced into promoting it rather than Netscape Navigator (definitely illegal) combined to give it a commanding lead over technically superior products. Microsoft should be fined billions, the proceeds should be distributed to Netscape and other browser manufacturers, hardware manufacturers, and the end users.

Microsoft would like to extend its dominance in the desktop to file servers as well. Even though file servers need to be available to many different client operating systems, Microsoft can take the open standards that make this cross-platform intercommunication possible and change their interpretation of them subtly to ensure that only a Microsoft client can communicate efficiently with a Microsoft server. In many cases, they have done this already. The net result is that competition in the desktop client marketplace is restricted by behavior in the server marketplace and vice-versa.

Even more frightening is the thought that Microsoft might use this same strategy in the web server market. The net result would be catastrophic for the Web and its users, as Microsoft would effectively be in control of the entire internet, and could change the underlying transport protocols to restrict use of the Web to their browser or desktop operating system or both.

Microsoft must be enjoined from deviating from any open standards, and must follow them explicitly. They may be a party to the creation of these standards, but they cannot have more than one vote in that process. If they make a web server software, it must interoperate with all browser clients equally. If they make a file-sharing server, it must interoperate with all desktop operating systems equally. If they incorporate any features into their desktop or server operating systems that are either available on other platforms as middleware or third-party software applications or were previously available as middleware or third-party software applications on their desktop or server operating systems, those operating system features should have to meet the same standards of universal availability to non-Microsoft client systems as their predecessors.

Finally, it doesn't seem possible to keep Microsoft from giving itself an unfair advantage, since they make the server operating system, desktop operating system, middleware, application software, utilities, etc. all in one shop. The last time this sort of behavior was noticed by the courts, it was because US Steel owned the mines, the mills, the railroads, the ships, and the trains. They could set any price they liked, and could keep competitors from ever reaching profitability.

Microsoft should be divided into separate companies: Programming Languages, Server Operating Systems, Desktop Operating Systems,

Server Application Software, Desktop Application Software, Middleware. Each of these companies would be walled away from the others, and would expose only the programming interfaces and source codes that they would share with any non-Microsoft competitor to each other.

These standards are much higher than those that Microsoft's competition lives by, but until the day comes that Microsoft is not larger than all its competitors combined, it must live by them. Right now, no matter how bad a product they produce, people will buy it. The ordinary expectation of "survival of the fittest" has been supplanted by "rule by the fattest". That is not good for business and it is not good for the world.

Thanks for your time,

Walter Lee Davis